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Marianne Fazen, PhD
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February 3, 2011

The Honorable Joseph J. Crisco, Chairman
The Honorable Robert Megna, Chairman
Joint Committee on Insurance and Real Estate
Connecticut General Assembly
300 Capitol Avenue
Hartford, CT 06106

Dear Chairman Crisco and Chairman Megna,

The American Accreditation Healthcare Commission/URAC (URAC) is writing with respect to Senate Bill (SB) 17, scheduled to be discussed today in the Joint Insurance & Real Estate Committee, which allows health insurers to offer incentives for participation in a wellness program. URAC commends your leadership in promoting wellness programs and your efforts to address requirements for wellness programs. URAC is a nationally recognized managed health care accreditation organization with over 25 accreditation and certification programs across the health care spectrum, including URAC Comprehensive Wellness Accreditation. As states and public purchasers look at issues related to wellness and health management, URAC's comprehensive standards can serve as a helpful resource. We are pleased to have the opportunity to share with you information about the development and applicability of these quality benchmarks to your efforts in Connecticut.

As you know, Connecticut SB 17 allows health insurers to offer incentives and rewards for participation in an approved wellness program. Colorado House Bill (H.B.) 1160, enacted in 2010, also allowed for incentives for participation in wellness programs. Specifically, Section 3.7 of H.B. 1160 requires that insurers submit their wellness programs to a nationally recognized nonprofit accreditation agency and receive accreditation prior to offering the program or reward. URAC Comprehensive Wellness Accreditation is an approved wellness accreditation program under this provision. URAC encourages you to incorporate similar language into CT SB 17 to ensure wellness programs are approved and accredited prior to implementation.

Overview of URAC

URAC is an independent, nonprofit organization whose mission is to promote continuous improvement in the quality and efficiency of health care management through the processes of accreditation, education and measurement. Our strategic priorities are to:

- Enhance Continuity of Care;
- Encourage Transparency: Cost & Performance/Quality Data;
- Engage Consumers in their Health Care Management;
- Enhance Operational Management Effectiveness; and
- Engender Support for Evidence-Based Decision-Making

To support these goals, our Board of Directors represents the full spectrum of stakeholders interested in our health care system, including consumers, employers, health care providers, health insurers, purchasers, workers' compensation carriers and regulators.

Incorporated in 1990, URAC pioneered utilization management accreditation by creating a nationally recognized set of standards to ensure accountability in managed care determinations of medical necessity. As the health care industry evolves, URAC continues to address emerging issues: we now offer over 25 accreditation and certification programs across the health care spectrum (i.e., Case Management, Claims Processing, Consumer Education and Support, Core Organizational Quality, Credentials Verification Organization, Comprehensive Wellness, Disease Management, Drug Therapy Management, Health Call Center, Health Content Provider, Health Network, Health Plan, Health Provider Credentialing, Health Utilization Management, Health Website, HIPAA Privacy, HIPAA Security, Independent Review Organization, Mail Service Pharmacy, Medicare Advantage Deeming, Pharmacy Benefit Management, Specialty Pharmacy, Workers' Compensation Utilization Management, Provider Performance Measurement and Public Reporting, Uniform External Review, Vendor Certification, and Pharmacy Benefit Management for Workers Compensation and Property and Casualty).

Many states have found URAC accreditation standards helpful in ensuring that managed care plans and other health care organizations are meeting quality benchmarks. Forty-six states and the District of Columbia currently reference one or more URAC accreditation programs in their statutes, regulations, agency publications or contracts, making URAC the most recognized national managed care accreditation body at the state level.

At the federal level, four federal agencies recognize URAC accreditation. The Centers for Medicare and Medicaid Services (CMS) recognize URAC Medicare Advantage Health Plan Accreditation for the Medicare Advantage (formerly Medicare+Choice) Program; CMS' Center for Medicaid State Operations recognizes the comparability of URAC Health Plan Standards with the federal Medicaid Managed Care Regulations; the Office of Personnel Management recognizes all URAC accreditation programs under the Federal Employee Health Benefits Program; TRICARE/Military Health System recognizes URAC Health Network, Disease Management, Health Utilization Management and Case Management Accreditations; and the Department of Veterans' Affairs recognizes URAC's Health Call Center, URAC Independent Review Organization, and URAC Health Utilization Management Accreditations.

URAC Standards: Establishing Quality Benchmarks

URAC accreditation serves as a symbol of excellence in the health care industry, promoting prevailing industry standards and consumer protections. In the rapidly evolving field of health care, URAC standards are developed through a dynamic process that identifies best practices and promotes high quality performance measurement. All stakeholders in the health care arena actively participate with URAC in developing these quality benchmarks through an inclusive process that incorporates an opportunity for public comment.

URAC's standards development process begins with a period of careful research, debate and discussion among stakeholders. An initial set of standards is then proposed and made available for a public comment and review. URAC's advisory committees review the submitted comments, make appropriate changes, and the draft standards are then beta tested with a discrete group of companies in order to ensure that they work in practice. After beta testing, the standards may be modified again, and then they are forwarded to URAC's Board of Directors for consideration and approval. URAC revises its standards through this process at least every three years.

URAC Accreditation Review Process

The URAC accreditation review process begins with applicants for accreditation submitting material through AccreditedNet, URAC's secure online application system. When an application arrives, a reviewer is assigned to conduct an assessment of the submitted documentation for compliance with URAC standards. Any standard that appears non-compliant is noted and communicated to the client with a recommended course of action to meet the standard. Then an onsite review is conducted for each applicant.

URAC staff reviewers are clinical experts who provide application support through the entire accreditation process, including a sharing of best practices during the onsite review. The objective of the onsite review is to verify operational compliance with URAC standards. URAC reviewers, for example, interview the applicant's staff and review a statistically valid sampling of relevant documentation, including specific quality information. With respect to quality data, URAC accepts nationally recognized measures, such as HEDIS measures to evaluate plan performance and CAHPS data to evaluate consumer satisfaction. URAC may also consider other credible NQF-endorsed or CMS-recognized quality measures.

The findings from an applicant's onsite review are anonymously presented to the URAC committees that make the accreditation determinations through an Executive Summary report. Committee members include industry peers and experts such as physician providers, plan physicians, quality management professionals, information technology experts, pharmacists and security/privacy officials. Levels of accreditation are awarded in accordance with corporate policy and URAC's accreditation scoring methodology. Applicants receive an official notification letter with their accreditation status and a certificate of accreditation.

URAC Comprehensive Wellness Accreditation Standards

In 2008, URAC became the first accrediting organization to launch standards and measures specific to wellness organizations. The release of the URAC Comprehensive Wellness Accreditation program followed a year of standards development by one of URAC's largest advisory groups to date: fifty-eight representatives including employers, health plans, consumer groups, large purchasers, health care professional associations, providers, and wellness companies constituted URAC's Wellness Advisory Group. The input of government purchasers such as the Alabama State Employee's Insurance Board, Georgia Department of Health, and the State of Nevada Employees' Benefits Program was integral to the standards development process.

URAC's Comprehensive Wellness Accreditation is the first new URAC Accreditation to launch with performance measures for internal quality improvement and external reporting. URAC's accreditation program was designed to respond to the need for clinically-informed national standards and measures to assess program effectiveness and improve the quality and efficiency of wellness interventions. The program includes URAC Core Organizational Quality Standards and program specific standards in five areas:

- **Assessment:** Includes risk identification and risk awareness program components, such as the use of Health Risk Assessments;
- **Interventions:** Addresses overall program design, health coaching, and use of consumer participation incentives, education and communications aspects of wellness programs;

- **Evaluation:** Focuses on how the wellness organization calculates, measures, and reports participant progress and overall clinical and financial program success to the client;
- **Integration:** Focuses on an organization's ability and willingness to coordinate with other organizations, operations, and programs already in place; and
- **Measurement:** Focuses on producing and reporting to purchasers and the public on a specified set of performance measures.

Conclusion

As we did with Utilization Management Accreditation in 1990 and numerous accreditation programs we have developed since that time, URAC continues to pioneer national accreditation standards as the managed health care sector evolves. We offer a trusted and independent resource for monitoring the safety, effectiveness and service quality of wellness programs. Accreditation serves as a symbol of excellence in the health care industry. It is a dynamic process that identifies best practices and promotes high quality performance through quality audits and performance measurement. Organizations that earn accreditation from a nationally recognized accrediting entity validate their commitment to quality and accountability. These companies voluntarily undergo a rigorous and periodic review that evaluates their operations and services against contemporary standards and measures developed by experts and stakeholders in the health care arena.

URAC appreciates this opportunity to inform the Committee about URAC quality indicators for wellness programs as it considers Senate Bill 17. In addition to the attached overview of URAC Comprehensive Wellness Accreditation standards, additional resources are available through the Policymaker Portal on the URAC website (<http://www.urac.org/policyMakers/resources/>). Upon request, we can also send you copies of the standards themselves. Please do not hesitate to contact me (mosman@urac.org, 202/962-8838) or URAC Government Relations Specialist Justin Peters (jpeters@urac.org, 202/962-8832) if URAC can provide any further assistance.

Thank you for your consideration.

Best Regards,



Mara Osman, J.D.
Government Relations Director

Attachments: URAC Comprehensive Wellness Standards-At-A-Glance (Version 1.0, 2008)